

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Leach Analyst: Roger Lackey Bill Number: AB 831

Related Bills: See Prior Analysis Telephone: 845-3627 Amended Date: 05-06-99

Attorney: Patrick Kusiak Sponsor:

SUBJECT: Limited Liability Companies Permitted To Have One Member

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

X DEPARTMENT POSITION CHANGED TO Neutral.

X REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 24, 1999, STILL APPLIES.

OTHER - See comments below.

SUMMARY OF BILL

This bill would authorize the organization of single-member limited liability companies (LLCs) in California.

SUMMARY OF AMENDMENT

The May 6, 1999, amendment added additional authors to the bill.

The April 27, 1999, amendment would add a reference to provide that a single-member limited liability company would be subject to the same conditions of personal liability as a limited liability company with two or more members.

Except for the discussion of the Board Position in this analysis, the department's analysis of AB 831, as introduced February 24, 1999, still applies.

BOARD POSITION

Neutral.

The Franchise Tax Board at its March 23, 1999, meeting voted 2-0 to take a neutral position on this bill.

Board Position:

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 SA
 X N

 NA
 O
 OUA

 NP
 NAR
 PENDING

Department/Legislative Director

Date

Johnnie Lou Rosas

5/14/1999